

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2383 – SB 2245

February 6, 2012

SUMMARY OF AMENDMENT (011538): Deletes all language after the enacting clause. Restores one and three-fourths percent (1.75%) of certain TennCare rate reductions and eliminates the two dollar (\$2.00) co-payment that became effective January 1, 2012.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$6,308,100

Increase Federal Expenditures - \$12,373,100

A supplemental appropriation for FY11-12 in the amount of \$21,772,600 (\$7,251,800 state and \$14,520,800 federal) is included in the Governor's FY12-13 Proposed Budget.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – \$7,251,800

Increase Federal Expenditures - \$14,224,100

A supplemental appropriation for FY11-12 in the amount of \$21,475,900 (\$7,251,800 state and \$14,224,100 federal) is included in the Governor's FY12-13 Proposed Budget.

Assumptions applied to amendment:

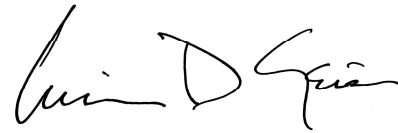
- The supplemental appropriation is part of the Unappropriated Budget Surplus as of June 30, 2011, totaling \$223,000,000.
- The total increase in additional funds appropriated in FY11-12 will be \$21,475,900 which includes \$7,251,800 in state funds at a rate of 33.767 percent and \$14,224,100 in federal funds at a match rate of 66.233 percent.
- The bill requires the following amounts of state funding be appropriated for FY11-12 to restore reductions that took effect January 1, 2012:
 - Nursing Homes: \$3,236,300
 - Managed Care Organization Administrative Rates: \$985,500

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- Transportation Providers: \$230,900
- Lab and X-ray Services: \$690,200
- Dental Services: \$432,400
- ICF-MR Providers: \$295,500
- Program of All-Inclusive Care of the Elderly (PACE): \$33,300
- Home Health Providers: \$701,200
- Elimination of \$2 Co-Payment for Non-Emergency Transportation: \$646,500
- The bill requires the following amounts of federal funds be appropriated for FY11-12:
 - Nursing Homes: \$6,347,900
 - Managed Care Organization Administrative Rates: \$1,933,000
 - Transportation Providers: \$452,900
 - Lab and X-ray Services: \$1,353,800
 - Dental Services: \$848,100
 - ICF-MR Providers: \$579,600
 - Program of All-Inclusive Care of the Elderly (PACE): \$65,300
 - Home Health Providers: \$1,375,400
 - Elimination of \$2 Co-Payment for Non-Emergency Transportation: \$1,268,100

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

/kml